

**SEPARATE STATEMENT OF
COMMISSIONER KEVIN J. MARTIN**

Re: Promoting Efficient Use of the Spectrum Through Elimination of Barriers to the Development of Secondary Markets, Second Report and Order, Order on Reconsideration, and Second Further Notice of Proposed Rulemaking, WT Docket No. 00-230

In May of last year, we took the first major steps to facilitate the development of secondary markets in spectrum. In that First Report and Order, we adopted a new regime for spectrum leases, allowing leases for which there is no change in *de facto* control to proceed without prior Commission approval and allowing other leases to use a streamlined approval process. We also adopted a streamlined approval process for transfers and assignments of licenses. Our goal was to legitimize fully market transactions in spectrum and to reduce associated transaction costs.

Today's item builds on that framework, further reducing transaction costs and regulatory delay. Among other things, we adopt even more streamlined approval procedures for spectrum leases, assignments, and transfers that do not raise public interest concerns. We also expand the reach of our rules to additional wireless radio services. I believe that these changes will encourage secondary markets to flourish.

Together, our secondary markets rules create new opportunities for licensees with under-utilized spectrum, to the benefit of consumers. A carrier with a business plan that calls for serving only the most densely populated portions of its service area now has every incentive to lease or transfer the balance of their spectrum to an entrepreneur. When cognitive radios and frequency-agile technologies are introduced to the mix, the opportunities multiply.

Additionally, our secondary markets rules offer the promise of greater wireless deployment in rural America. For example, a carrier with a nationwide license can, with reduced transaction costs, lease or sell spectrum to rural carriers to build networks in rural areas. Rural carriers thus have the potential to obtain spectrum and build networks suited to their particular geography, while at the same time enabling the national carrier to develop partners to fill out its footprint.

For all of these reasons, I am pleased to support this item.